

Message Text

UNCLASSIFIED

PAGE 01 TEHRAN 03459 011332Z

42

ACTION NEA-12

INFO OCT-01 ISO-00 EUR-25 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 PA-04 PRS-01 USIA-15 DRC-01 /172 W

----- 126727

R 011300Z MAY 74

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 6325

INFO AMEMBASSY BONN

UNCLAS TEHRAN 3459

E.O. 11652: N/A

TAGS: ETRD, ENRG, IR, GW

SUBJECT: IRAN/FRG ECONOMIC RELATIONS

REF: TEHRAN 1775

1. PRESS REPORTS ON MAY 1 CLAIM MUCH-BALLYHOOED APRIL 28-30 IRAN/FRG INVESTMENT CONFERENCE RESULTED IN AGREEMENT ON 24 JOINT VENTURES FOR TOTAL OUTLAY OF UP TO \$2.5 BILLION. FRG DELEGATION OF TOP INDUSTRIALISTS WAS LED BY ECONOMICS MINISTER HANS FRIDERICH WHO QUOTED AS SAYING CONFERENCE WAS "BIGGEST AND MOST SUCCESSFUL GATHERING OF GERMAN INDUSTRY EVER AWAY FROM HOME."

2. LETTER OF UNDERSTANDING SIGNED WITH NATIONAL IRANIAN OIL COMPANY FOR 50-50 JOINT VENTURE WITH GROUP OF GERMAN COMPANIES FOR 500,000 BPD OIL REFINERY AND PETROCHEMICAL COMPLEX AT BUSHEHR BIGGEST DEAL NEGOTIATED. OTHER PROJECTS MENTIONED INCLUDE: (A) 330,000 GAS REDUCTION SPONGE IRON PLANT WITH THYSSEN; (B) AGREEMENT BETWEEN KHAVAR VEHICLE MANUFACTURING COMPANY AND INDUSTRIAL AND MINING DEVELOPMENT BANK OF IRAN FOR 40,000 PER YEAR DIESEL ENGINE PLANT; (C) NATIONAL IRANIAN PETROCHEMICAL COMPANY AGREEMENT WITH BAYER AND HOECHST TO MANUFACTURE CAPROLACTUM AND OTHER BASIC CHEMICAL PRODUCTS; (D) TWO AGREEMENTS BY MELLI INDUSTRIAL

UNCLASSIFIED

PAGE 02 TEHRAN 03459 011332Z

GROUP WITH GERMAN PARTNERS TO PRODUCE MOULDS AND CORRUGATED CARD-

BOARD; (E) AGREEMENT BETWEEN IRANIAN INVESTMENT AND DEVELOPMENT BANK AND CHEMICO COMPANY OF IRAN WITH DEGUSSA COMPANY FOR PRODUCTION OF GLAZ AND CERAMICS, AND (F) INDUSTRIAL DEVELOPMENT AND RENOVATION ORGANIZATION OF IRAN AGREEMENT WITH DRUPP TO SET UP ENGINEERING CONSULTANCY AND INDUSTRIAL DESIGN SERVICE.

3. COMMENT: IN PAST, PRESS ACCONTS OF CONFERENCES WITH HIGH LEVEL FOREIGN DELEGATIONS HAVE CONSIDERABLY EXAGGERATED SCALE OF JOINT AGREEMENTS. IN MOST CASES DETAILS STILL REMAIN TO BE WORKED OUT, AND NUMBER OF PROPOSALS CAN BE EXPECTED TO FALL BY WAYSIDE. IF PRESS ACCOUNTS ARE ACCURATE, SOME PROGRESS APPEARS TO HAVE BEEN MADE IN RESOLVING IMPASSE OVER REFINERY/PEROCHIMICALS LINK FOR BUSHEHR REFINERY (REFTEL), BUT IMPLEMENTATION OF AGREEMENT STILL REMAINS TO BE NEGOTIATED. EMBASSY WILLATTEMPT OBTAIN MORE DETAILS AND REPORT AS SOON AS AVAILABLE. OUR GERMAN EMBASSY COLLEAGUES HAVE ALL TAKEN MAY DAY HOLIDAY TO RECUPERATE FROM CONFERENCE.
HELMS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE PROMOTION, PETROLEUM REFINING, CHEMICALS, PROGRAMS (PROJECTS), INDUSTRIAL PLANTS, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TEHRAN03459
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740104-0273
From: TEHRAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740581/aaaacvcy.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: TEHRAN 1775
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 17 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 OCT 2002 by boyleja>; APPROVED <03 JAN 2003 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IRAN/FRG ECONOMIC RELATIONS
TAGS: ETRD, ENRG, IR, GE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005